

State of North Carolina Office of the Governor

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Contact: Cari Boyce
Phone: 919/733-5612

EASLEY PUSHES BUSH ADMINISTRATION TO TAKE A MORE AGGRESSIVE STANCE TO STOP UNFAIR CHINESE TRADE PRACTICES

Seeks federal action to enact safeguards on textiles and fight Chinese currency manipulation

RALEIGH— Gov. Mike Easley has again called on the Bush administration to take a more aggressive stance in enacting China safeguards for vulnerable textiles and in fighting Chinese currency manipulation. In a letter sent to U.S. Trade Representative Robert Zoellick on May 6, Easley expressed concern that the administration has failed to develop and enforce an effective strategy to deal with China on trade issues. Industry estimates conclude that as many as 85,000 textile jobs are put at risk in North Carolina due to Washington's trade policy with China.

The text of Easley's letter to Zoellick follows:

"I am writing again to express concern that the Bush Administration has failed to develop and enforce an effective strategy to deal with China on trade issues. I urge you to publicly commit to enacting China 'safeguards' for all vulnerable textile categories and to take a more aggressive stance in fighting Chinese currency manipulation.

"Last week, when you dismissed complaints by labor and industry groups about China's treatment of workers and its currency policies, you stated that America's workers 'can compete with anyone in the world when we have a level playing field.' I agree wholeheartedly, however, our businesses and workers do not have a level playing field with China today. As a result, unfair surges in Chinese exports have struck a devastating blow to North Carolina's traditional manufacturing industries, which have lost more than 50,000 jobs since 2001. As textile mills and furniture factories have closed, the ripple effect has spread throughout North Carolina communities.

"The elimination of all remaining import quotas for textile products from China is scheduled for January 1, 2005. Industry estimates that as many as 85,000 textile jobs are put at risk in North Carolina by the elimination of these quotas. North Carolina's improving economy will be hard pressed to absorb this many displaced workers, as will our already overextended job training system. We simply need more time to make this challenging transition.

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